DISTRICT INVESTIGATION.

(Continued from First Page.) corporation to the new, includ amongst others in the whole aggregate this \$215,000 and odd dollars; and then there is the cipt by the comptroller, to Moses Kelly, irer of the sinking fund, on page 31, of \$956,183.45, in payment of this account. So that it would be impossible for the comptroller to distinguish what bonds, if any. were applica-

mittee that this settlement was for advances made by the new government to the old govern ent in carrying on the current business of the to was part of this money. It came into this statement, and went to reimburse the District oller's report. He received it and gave credit for it, and disbursed it.

efers, relates to the liabilities of the city of Washington, found in the auditing commi report. That was entirely separate from the in afterwards made by the District governmen

for those school purposes.

Mr. Merrick. Nevertheless it was carried into that account, and paid to the commissioners of the school fund by the commissioners of the sinking fund.

Mr. Stanton. Under an act of the legislature,
June 20, 1872, which expressly states that that
relates to the indebtedness, and is referred to

in the acts of Congress.

Mr. Allison. Mr. Baker testified that as to the amount raised by taxation, and then he stated that applied to schools in addition to that, was \$215,948. Mr. Merrick. Yes, Sir.
Mr. Allison. Some one asked him how that
sum was raised, and he said it was raised by

Mr. Merrick. Yes, sir.
Mr. Allison. 1 suppose those are the bonds
referred to in that statement?
The Governor. Yes, sir.
Mr. Merrick. Here is the account, and he
states in that how it was raised.
Mr. Allison. In the a limitment a cortain. Mr. Allison. In the aljustment a certain Delegates.

"They are to receive, weekly, from treasurer the District, all money collected on account interest on, or extinguishment of, debts,

to become due by the District. The rest of the act prescribes the mode of administration of the sinking fund, the giving of bonds by the commissioners, and the filling of vacancies.

"Act of August 13, 1871, ch. 89, first Assembly, session 1, pp. 114, 115, authorizes sinking fund commissioners to pay at maturity interest on all bonds issued by late corporation and by District, for which purpose, as to interest on Washington bonds, appropriation is made out of fund levied and contected for payment of interest on said bonds, or in advent of insufficiency of said fund, out of Washington fund; and as to Georgetown bonds, appropriation is made from Georgetown bonds, appropriation is made from Georgetown fund, and as to District bonds, appropriation is made from general fund of District.

"Act of June 16, 1871, first Assembly, session 1, ch. 3, pp. 7, 8, authorizes the appointment of three citizens to constitute a commission to receive and andition of administration of the revenue and the filling of vacancies.

"Act of August 13, 1871, ch. 89, first Assembly payment of said sum to the District in the sinking fund commission tisking fund commissioners. The Chairman Now, in that mine hundred and odd thousand dollars were the two hundred and odd thousand dollars were the two hundred and odd thousand dollars were the two hundred and odd thousand dollars paid for the completion of school-houses, included?

Mr. Merrick. It appears from the face of the paper it is.

Mr. Allison. Oh, no! I suppose not.

The Chairman. I wanted to ascertain whether there was any controversy about it.

Mr. Allison. Oh, no! I suppose not.

The Chairman. What proportion was for school-houses, but a large portion of it was paid out on account of school-teachers.

The Chairman What proportion was for school-houses!

"Act of June 16, 1871, first Assembly, session 1, ch. 3, pp. 7, 8, authorizes the appointment of three citizens to constitute a commission to receive and audit outstanding claims against corporations of Washington and Georgetown and Levy Court, and report in detail to Assembly with opinion as to the merits of each case, together with papers and all evidence."

Mr. Stanton. That is the auditing commission —a commission appointed to audit the claims of individuals against the old corporations—the unsettled liabilities of the old corporations towards individuals. It is a matter entirely outside of the commissions between the District and the old corporations, as will be seen here.

plan to be submitted to the Assembly for liqui-dation or funding of such claims. Act of Jandation or funding of such claims. Act of January 19, 1872, first Assembly, special session, second, ch. 24, p. 24, et seq., provides for payment of the floating indebtedness of the old corporation of Washington, and recites the fortieth section of the organic act authorizing the levy of taxes on property within the different divisions of the District for payment of previous debts of the respective portions, and act of Assembly authorizing appointment of auditing commission and submission of its report."

The Chairman. What is the date of that!

Mr. Stanton. June 16, 1871.

"The act, then, for the purpose of paying

The Chairman. What is the date of that?

Mr. Stanton. June 16, 1871.

"The act, then, for the purpose of paying floating and due indebtedness of corporation of Washington, levies tax on property within said city of thirty c nts on each one hundred dollars for fiscal years ending June 30, 1872, 1873, 1874, 1875, levies tax of the cents on each one hundred dollars annually for the purpose of continuing sinking fund created by corporation of Washington, under an act of Congress; and levies tax of the encents on each one hundred dollars annually for payment of interest and the several funded and interest-bearing debts of Washington; tax is also levied for retirement of certificates issued by Washington under the 6th section of act of Congress of July 7, 1870, and 6th section of act of Congre

The Chairman, Do you know what the form of that scrip is?

Mr. Stanton. This part of the act was afterward Mr. Stanton. This part of the act was superward modified, it will be observed, by the act of Con-gress. I do not think any scrip was issued. "Accounts for claims for such scrip and is-sue of such scrip are required to be kept by au-ditor, comptroller, and register, and statement ditor, comptroller, and register, and statement of the same to be made annually to the Legislative Assembly and Sinking Fund Commissioners. Sums due corporation June 1, 1871, when collected, are required to be turned over to the sinking fund commissioners for payment of indebtedness of corporation, and the commissioners are required to dispose of assets of the corporation which may come into its hands for the payment of its debts. Upon it appearing from books of collector and comptroller that the District government has in its possession any funds belonging to the city of Washington statement thereof is required, and the amount is to be paid to sinking sund commissioners out of taxes of the District, and a settlement is required of any and all accounts between city of Washington and the District government, to be made by the sinking fund commissioners and the comptroller, such settlement to be thereafter in all respects binding. In order to liquidate indebtedness of Washington the Governor is authorized to anticipate the revenue be made by the sinking fund commissioners and the comptroller, such settlement to be thereafter in all respects binding. In order to liquidate indebtedness of Washington the Covernor is authorized to anticipate the revenue from taxes levited by this act to an amount sufficient to satisfy the floating indebtedness of the city."

Mr. Wilson. I would like to ask a question here in that connection if you will pardon me a moment. Mr. Merrick. I understand, from the testimony heretofore, that there had been received from taxes levited by this act to an amount sufficient to satisfy the floating indebtedness of the city."

Mr. Stanton. That is the act of January 19, 2872, based, it will be seen, upon this report of the auditing commission and relating to the liabilities included in that report. Then cames the act of Congressof May 8, 1872, entitled "An act to fund certain liabilities of the city of Washington existing June 1, 1871."

The Chairman. Have you a reference to the Statute at Large containing that act?
Mr. Stanton. No, shr; I have not.
The Chairman. What is its date?
Mr. Stanton. May 8, 1872.
Mr. Wilson. I have it.
Mr. Stanton. It will ba found in the fore part of the District laws, page 42.
The Chairman. I have it now, proceed. "Page 42, part 1, laws of the District authorizing

pt by the comptroller, to Moses Kelly, burer of the sinking fund, on page 31, of 1,183.45, in payment of this account. So it would be impossible for the comptroller stringuish what bonds, if any, were applicate that this settlement was for advances by the new government to the old government. For instance, in regard to achoolers, this \$40,000 and odd dollars referred is part. It is accounted for in the comptr's report. He received it and gave credit and disbursed it:

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It is accounted for in the comptr's report. He received it and gave credit and surfaces are the liabilities of the same at part of ington, found in the auditing commissioners of the season the old corporation for advances are school purposes.

Merrick. Nevertheless it was carried into ecount, and paid to the commissioners of the fund. By the commissioners of the gfund.

Stanton. Under an act of the legislature, 80, 1872, which expressly states that that act of congress. Allison. Mr. Baker testified that as to mount raised by taxation, and then he that applied to schools in addition to was \$215,948.

gress.

Mr. Stanton. Now this substitutes certain sinking fund bonds for the scrip authorized by the act of January 19, 1872.

Another act of January 19, 1872, (First

assembly, special session, chapter 29, page 29, et. seq.), appropriates of respective funds of Washington, Georgetown and county, for payment of liabilities due by said corporations prior to June 1, 1871, the sum therein after prior to June 1, 1971, the sum therein after named, no claim to be paid without having been acted on and approved by the auditing commission and by committee of House of Delegates. Interest on these claims from January 1, 1871, at 6 per cent. is authorized and superved."

Mr. Allison. In the a ljustment a certain amount of bonds were delivered to the new government.

The Governor. Yes, sir.

The Governor. Yes, sir.

The Governor. Yes, sir.

The Chairman. I wish now to address a word or two to the counsel.

The Chairman. I wish now to address a word or two to the counsel.

We have had no time as yet to examine these various acts of the Legislature, nor perhaps all the acts of Congress on this subject, and it would facilitate our investigation, and we would be enabled to understand the testimony better if we had a brief statement of what been done in respect to payment of the debts of the county, if there were any debts due by the county, if there were any debts due by the county, if there were any debts due by the county, if there were any debts due by the county, if there were any debts due by the county, if there were any debts due by the county, if there were any debts due by the county, if there were any debts due by the county, if there were any debts due by the county. We are told of a sinking fund commission, created under the act of the General Assembly.

A voice. Under the act of Congress.

The Chairman. Of an auditing board to and the floating debt of the old corporation, and that that debt was settled in some way. How was that! Were the debts of those two old corporations assumed by the District government.

Mr. Stanton. I have a digest in my hand which refers to some of those acts.

The Chairman was a sum of the debts of the cond of the county in the county in

ernment.

Mr. Stanton. I have a digest in my hand which refers to some of those acts.

The Chairman. Will you please state exactly what was done?

Mr. Stanton. In the first place, the organic act, "Act of Congress of February 21, 1871, organizing District government, section 40, page 28, part 1, Laws of District, confers on the Legislative Assembly powers to levy special taxes upon property, except United States property, within the city of Washington, for the payment of debrs of old corporation of Washington; so also as to property and debts of Georgetown and county."

That 4s the starting point—the power given to the Legislative Assembly by the organic act.

"Act of Legislative Assembly by the organic act.

"Act of Legislative Assembly by the organic act.

"Act of Legislative Assembly of August 19, 1872, the starting point—the power given to the Legislative Assembly by the organic act.

"Act of Legislative Assembly of August 19, 1873, chapter 52, first Assembly, session 1, page 48, et seq., creates commissioners of sinking fund and bonded debt, and, with the Governor, be styled commissioners are given entire control of fund and bonded debt, due by old corporation of Washington and Georgetown and county, or thereafter to be created by the District of Columbia.

"They are to receive, weekly, from treasurer of the District, all money collected on account to finterest on, or extinguishment of, debts, bonds or stock of Washington, Georgetown and the property of the payment of the bistrict, all money collected on account of interest on, or extinguishment of, debts, bonds or stock of Washington, Georgetown and the property of the payment of the District, all money collected on account of the bistrict of Columbia.

"They are to receive, weekly, from treasurer of the District, all money collected on account of the bistrict of Columbia.

"They are to receive, weekly, from treasurer of the District, all money collected on account of the payment o settle, after examination and approval bruary 21, 1871, or int, section 40, page tt, confers on the rest to levy special pt United States of Washington, not included in auditing to Washington, for old corporation of twashington, for old corporation of roperty and debts by?"

Linked States of Washington, for included for by act of Congress of May 8, 1872. For this purpose, the sinking fund commissioners are authorized to issue six-per cent. gold bonds, and in conection with the Governor sell the same, and with the proceeds pay the said liabilities within the restriction that aggregates the debt of the District, and shall not thereby be increased by the one that the service of the payments on the se, and of in the managedall be, appointed, tyled commissioners of sink-yield commissioners are not something in the restriction that all initiation of said taxes, and all other general taxes shall not in any one year exceed two per centum of the sessed valuation of property. Money color the relative to be the sinking fund commissioners for the payment of the interest and creation of a sinking fund commissioners for the payment of the interest and creation of a sinking fund commissioners for the payment of the interest and creation of a sinking fund commissioners for the payment of the interest and creation of a sinking fund commissioners for the payment of the interest and creation of a sinking fund commissioners for the payment of the interest and creation of a sinking fund commissioners for the payment of the interest and creation of a sinking fund commissioners for the payment of the interest and creation of a sinking fund commissioners for the payment of the corporation of the fundament of the managed them with the \$215,000 on the one hand, and having paid it out and received it by the case of the property of the District of Columbia, and having paid it out and received it may be a sinking fund commissioners in the payment of the corporation of the managed that the set of the payment of the payment of the payment of

and from District taxes, and under this act the sinking fund commission discharged the debt by payment of said sum to the District in the six per cent. gold bonds authorized in said act. (See report of sinking fund commissioners.)

The Chairman. Now, in that mine hundred and odd thousand dollars were the two hundred and odd thousand dollars, paid for the completion of school-houses, included?

Mr. Merrick. It appears from the face of the paper it is.

school-houses!
Mr. Merrick. The whole of this \$215,000 as

receive and audit outstanding claims against corporations of Washington and Georgetown and Levy Court, and report in detail to Assembly with opinion as to the merits of each case, together with papers and all evidence."

Mr. Stanton. That is the auditing commission—a commission appointed to audit the claims of individuals against the old corporations—the unsettled liabilities of the old corporations—the unsettled liabilities of the old corporations towards individuals. It is a matter entirely outside of the commissions between the District and the old corporations, as will be seen hereafter.

Mr. Merrick. The whole of this \$215,000 as given here appears to be for contracts, because the name and the vouchers are given.

The Chairman. We wanted to know exactly what that fact was. Let me see if I understand the testimony correctly in regard to the matter of these school-houses. As I understood it, certain contracts were made by the old government for the erection of school-houses which had not been completed when the new government went into existence. Am I right in that?

The Governor. That is the auditing commission appointed to audit the claims of individuals against the old corporations—the understand the testimony correctly in regard to the matter of these school-houses. As I understood it, certain contracts were made by the old government went into existence. Am I right in that?

The Governor. The Chairman. We wanted to know exactly what that fact was. Let me see if I understand the testimony correctly in regard to the matter of these school-houses. As I understand the testimony correctly in regard to the matter of these school-houses. As I understand the testimony correctly in regard to the matter of these school-houses. As I understand the testimony correctly in regard to the matter of these school-houses. As I understand the testimony correctly in regard to the matter of these school-houses. As I understand the testimony correctly in regard to the matter of these school-houses. As I understand the testimo

I right in that?
The Governor. That is correct.
The Chairman. The Franklin school-house, for instance, as I understood the witness, had not been entirely completed.
The Governor. I think the Franklin schoolnot.
The Chairman. Was the Jefferson contract-

ed for by the old government!
The Governor. Yes, sir, and in process erection.

The Chairman. What other buildings had

The Chairman. What other buildings had been contracted for by the old government, and were in course of erection, at the time the new government went into existence? The Governor. The Summer school-house was, and the Seaton school-house upon I street.

The Chairman. Now, do I understand that the amount that the contractors became entitled to for work or on estimates made after

on these school houses; so appearing upon the face of the paper itself.

The Chairman. I went to know whether they were paid for the work done before the new government came into existence, or for work done after the new government came into existence?

The Governor. The major portion for work done of or work done of or work. Washington, bearing interest from July 1, 1871, at rate of seven per centum, and payable on or before July 1, 1873."

The Chairman. Created on behalf of the city of Washington?

Mr. Stauton. Yes, sir.

The Chairman. Do you know a large speed to the city of Washington?

constructed as the acts due by the old government, and was paid by the old government in these six per cent. bonds?

The Government, and then reimbursed to the District government by the process of settlement. nent.

By the Chairman. So that ultimately it was

liquidated by the bonds issued under the act last mentioned by Mr. Stanton? The Governor, Yes, sir. The Chairman: In the bonds that bound the ld government! The Governor. Yes, sir.

The Chairman: Or the property of the city of

Mr. Allison I do not understand that there is any controversy in reference to this, as between Mr. Merrick and yourself.

The Governor. None that I know of. The money was paid out by the District government and the corporation has paid it back to them. That is all. It is stated in the comptroller's report. He receives it and accounts for it.

Mr. Wilson. Mr. Baker may answer. Mr. Baker. Tas. sir.
Q. Making in aggregate of \$916,589.40 disunsements on account of the schools.
A. Receipts, yes mean.
Q. Receipts on account of schools.

hat is correct!
Mr. Merrick. Yes, air.
Q. This \$215,948.20 received from the sale or ypothecation of these bonds has been reimursed to the District government, has it not?

A. Yes, sir.
Q. That, then, would leave a surplus—they having paid out \$315,000, and afterward received it back again—would leave now in the hands of the District \$42,814.40? Mr. Merrick. I have already stated that; I stated it before you came in.

Mr. Mattingly. Do you wish Mr. Baker to answer these questions, sir!

Mr. Wilson. Yes, sir. I want to see if I un-

Mr. Wilson. Yes, sir. I want to see if I understand the testimony.

Mr. Baker. In all the questions that have been asked me by this committee, either orally or in writing, as to how much has been received from taxes, or how much has been expended, I have answered.

Q. Yes, that is true; and that shows an excess of \$173,000. A. It is true that we received that \$173,000 from somewhere, but we did not receive it from any outside party, neither from the general government, but we received it by giving the bonds. We owe it just as much as we everdid. It came from our own bonds. It only changed

It came from our own bonds. It only changed the form of the debt. Q. If you will excuse me Mr. Baker the point of my inquiry is directed to this: Is there not really a surplus now in the hands of the District government, or should there not be an account of these schools and school fund? A. There would not be if our debts were paid; if our borrowed noney was ratio

would not be if our debts were paid; if our borrowed money was paid.
Q. That is very probable. But you received over \$700,000 from taxes that you actually collected? A. Yes, sir.
Q. You received \$215,000 and upwards from the hypothecation of bonds. A. Yes, sir.
Q. That has been paid back to you, has it not? A. Yes, sir; our bonds given back again in return. in return.

Q. Then if you charged it on the one hand, having received it, you should credit it back on the other, should you not?

The Chairman. To the school fund.

The Chairman. To the school fund.

Mr. Baker. Not until the final settlement.
By Mr. Wilson. But yon have received the
money, why not give the fund credit for it?
A. The bonds are not sold, but hypothecated.
Q. But you have got the money. I understand there were \$1,200,000 of bonds issued on
account of the old indebtedness. Is that cor-

charged it to them because you paid them the money. Then you used their scrip and got money and reimbursed yourselves; did you not? Mr. Mattingly. Took it from other sources.

Mr. Baker. We reimbursed by giving our

We simply turned over the bonds in gross to the sinking fund.

Q. You do not know where these bonds are?

A. No, sir.

Q. I believe you stated that the other bonds—that all of these bonds that you have spoken of—were in the hands of the commissioners of the sinking fund? A. All pass through their

my answer, Judge. Wilson.

Mr. Wilson. I simply wanted to get at the fact where the bonds are.

Mr. Hubbell. The report shows, I presume.

Q. Do you know in whose hands these bonds

Q. Do you know in whose hands these bonds are?

A. I do not, further than that I delivered them to the commissioners of the sinking fund. Then my responsibility ceased.

Q. Who are these commissioners at present?

A. The same as the original ones. Moses Kelly is the treasurer, William W. Corcoran and Hugh M. Sweeney. When I was here before, I promised to bring a report of the sudding commission, and present it to the committee. I have it here, and now produce it.

Mr. Merrick: Before you go on with the other witnesses, Mr. Chairman, I will state that, I am prepared to present to the committee certain charges and specifications, with the request that you will summon certain witnesses. I believe Mr. Syphax, of whom I spoke awhile ago, is

account of school-houses during the time you were acting? A. Yes, sir, during the last year.

Q. What school-houses the last year! A. We made a contract for the Lincoin school-house at the corner of Second and C streets and the Sumner school-house on the corner of Seventeenth and N. Also made a contract for and made contract for an additional story or the O street school.

Q. What was the contract price for the

Summer school-house. A. I have stated it here clearly, but the original contract that I filed with the trustees will show. It is fifty filed with the trustees will show. It is fifty thousand and some hundred dollars. It is set forth here in this report.

Q. Will you point out the place in the report where it can be found! A. Yes, sir. The Summer building was to have cost \$50,728.38.

Q. How much work had been done on that up to the time you went out of office? A. It was finished up to the—they were just commencing the third story, on which I had paid \$21,000 to the contractor.

Q. On the whole cost you had paid \$31,000? A. Yes, sir. On this \$50,000, as I have stated, I had paid \$31,000. It was all that was due upon the building at that time, all that would

upon the building at that time, all that would be due upon it for the next three months—that is, until the next year. And the school-house on Capitol Hill—the Lincoln school—that was

\$31,000.

Q. Was that what it cost or what was paid!

Or. That Q. Was that what it cost or what was paid!
A. It was the cost, and it was paid for. That
was the building. The cost was \$31,944.12.
That was entirely paid for, and the vouchers
filed with the Secretary of the Interior.
Q. Now go to the next one. A. The "O"
street school, that is the improvement on the
O street school. The additional story was to
cost \$4,200, that was just commenced. We
commenced that only a few days before my
term expired. I had paid \$1,000 on that. The
school-house in the Sixth ward was contracted
for at \$6,863, of which \$1,000 was paid.
By Mr. Allison. Those are all colored schools.
By Mr. Jewett. These amounts were included
in the amount reported as disbursed during

By Mr. Jewett. These amounts were included in the amount reported as disbursed during that time? A. Yes, sir. Those payments I made.

By Mr. Wilson. Do you know what it finally cost to finish the Sumner building? A. I do not. I understood—

The Chairman. Never mind about what you understood. It you do not know, you need not

The Chairman. Never mind about what you understood. If you do not know, you need not state. A. I do not. I have not seen the contract since I handed it over to the trustees.

Q. Who were the trustées to whom you handed that contract? A. Mr. King, Mr. Johnson, and Mr. Wormley were the three trustees. By Mr. Allison: Q. Which Mr. Woemley? A. Mr. W. H. A. Wormley.

Q. The young man! A. Yes, sir.

Q. What is Mr. King's full name? A. Charles; and Mr. Johnson's first name is Henry.

The Chairman. Gentlemen, if you have any inquiries that you wish to make of the witness, you will now have an opportunity of doing so. Mr. Merrick. I do not think that there is anything that we desire to ask. The inquiries of

think it is so carried on my books.

Q. Then how do you make a deficiency; the committee embrace all the points that we been to ask. The inagines of the debt. The committee of controversy between yourselves and any other person? A. No, sir. of the debt. The controversy between yourselves and any other person? A. No, sir. of the controversy between yourselves and any other person? A. No, sir. of the controversy between yourselves and any other person? A. No, sir. of the controversy between yourselves and any other person? A. No, sir. of the controversy between yourselves and any other person? A. No, sir. of the controversy between yourselves and any other person? A. No, sir. of the controversy between yourselves and any other person? A. No, sir. of the controversy between yourselves and any other person? A. No, sir. of the controversy between yourselves and any other person. A. No, sir. of the controversy between yourselves and any other person. A. No, sir. of the controversy between yourselves and any other person. A. No, sir. of the controversy between yourselves and any other person. A. No, sir. of the controversy between yourselves and any other person. A. No, sir. of the controversy between yourselves and any other person. A. No, sir. of the controversy between yourselves and any other person. A. No, sir. of the controversy between yourselves and you have seen them since they must be provided to the controversy. I would not like to any position of their compileted in accordance with the first part of the controversy between yourselves and you have seen them since they were constructed, and any one of the provided provided in accordance with the first part of the controversy between yourselves and the provided provided in accordance with the first part of the controversy between yourselves and the provided provide

Q. I suppose you are talking of what you did as trustee? A. Yes, sir.
Q. And the board made these contracts. A. Certainly, those I have named. Certainly, those I have named.

Q. You don't know whether those contracts were varied or changed after you went out of office or not? A. No, air; I have not seen them at all. I do not know.

Q. How many composed that beard? A. Mr. Wormley and myself as the majority of the board. Mr. King did not concur with us. Mr. Wormley and myself, as a majority of the board. made those contracts.

A. Has there been any question raised as to your authority to make those contracts? A. I have not heard. We consulted with Mr. Cook and he drew all the contracts, and we executed them. He was then corporation attorney.

my printed report. I cannot state the exact to cent now; it was some \$2,700 and odd dollars. That I turned over to the treasurer, and have his receipt in my possession.

Mr. Merrick. That was up to the first of July, 1871! A. Yes, sir; my vouchers for all expenditures for the year, which amounted to, if think, \$126,000, were filed in the office of the Secretary of the Interior.

Q. (Handing witness a document.) Please state what that is. A. That is my report giving a correct statement of the vouchers as filed with the Secretary of the Interior.

Q. What is that you have? A. This is the Council Journal up to the first seasion of the Logislative Assembly.

Q. Is that a report you made? A. This is a report I made to the Council in answer to a resolution of that body.

Q. On what page is it to be found? A. It is paged from 100 to 103.

Q. How much money did you receive during that year? A. This is taken from my vouchers. I will tell you precisely, this is strictly correct—\$128,594.92.

Q. How much did you pay out? A. \$125, Q. How much did you pay

Doard.
Q. What—of the city of Washington?
A. Yes, sir.
Q. And you had drawn all the moneys due that school up to the first of June! A. Yes, sir; so they informed me at the City Hall.
Q. You only know what they said! A. Yes, sir; that is all. They paid me the money as they paid the white schools.
Q. You do not know whether you drew your full amount or not: you only know what they Q. You do not know whether you drew your full amount or not: you only know what they told you? A. Yes, sir, that is all. I had always received my money in that way. Q. Your school is distinct from the white schools—there are different boards? A. Yes,

sir.
Q. Mr. Wilson being the superintendent of the white schools I A. Yes, sir.
Q. And has not anything to do with the colored schools? A. No, sir. Only the amount paid to the white schools, and when colored schools? A. No, sir. Only the amount paid to the white schools, and when they were paid we were paid.

Q. Do you know as a matter of fact that you were paid every time they were paid, or whether they were paid every time you were paid or whether they were paid every time you were paid or is it merely an assumption of yours?

A. Generally when they were paid I went to the office and they paid me the amount due me, and, I suppose, they told me the truth. I do not know.

The Chairman. Allow me to interrupt one moment. Do I understand you received no funds from the new government. A. Not a dollar.

Q. All the funds then that you paid out the properties of the check was not good at the First National Bank, did you not pay interest te the Freedmen's Bank? A. I do not know of any check they gave me, payable in money, that was not paid there.

and, 1 suppose, they told me the truth. I do not know.

The Chairman. Allow me to interrupt one moment. Do I understand you received ao funds from the new government! A. Not a dollar.

Q. All the funds then that you paid out after the new government came into existence were funds that you had received under the old government! A. The funds that I received, if my memory serves me right. I can refer to my government! A. The funds that I received, if my memory serves me right—I can refer to my record—I did not receive any during the month of June under the new government. I can refer to my record and see.

Q. Did the funds that you received under the old government meet all the requisitions on you as treasurer up to the 30th of June, when you went out! A. Yes, sir.

Q. And left a surplus which you paid over to your successors! A. Yes, sir. of twenty areas.

Q. And left a surplus which you paid over to your successors! A. Yes, sir; of twenty, sowen hundred and some odd dollars.

By Senator Allison: Who were your successors! You were treasurer of this board! A. Yes, sir; the last of my term. Mr. Johnson was my successor as trustee, but Mr. King was made treasurer as my successor. I paid this money to Mr. King, and have his receipt for it. By Mr. Harrrington: You were appointed, as I understand, by the Secretary of the Interior! A. Yes, sir.

Q. Under act of Congress! A. Yes, sir.

O. Do you know anything about the dis-Q. Do you know anything about the dis-bursements to the white school board or by the

bursements to the white school board or by the white Board? A. I do not.
Q. Then you know nothing of it? A. Not of the white schools.
Q. You don't know whether they were paid or not? A. I do not know anything about the white schools any more than I read in the Such statements are not always reliable.

Mr. Hubble: I supposed the papers were
perfectly reliable in regard to all things.

Mr. Wilson: I never heard them called in

Mr. Hamilton: Not by the District at least.

Mr. Hamilton: Not by the District at least.

Mr. Harrington. Allow me to call your attention to this last check of May 31 in your retention to this last check of May 31 in your red.

Mr. Hubbell. Was this money you had caised

Q. What did you do with these certificates?
A. I deposited them in the bank and drew on them, and finally discounted them as stated in the report, I placed them as security in the bank and drew money on them in the Freedmen's Bank.
Q. You have got a note here that your check of May 31, 1871, of \$22,029.19; that you treated it in your statement as cash? A. So it

ration cash? A. I used them as such.
Q. How did you use them? A. I placed them in the bank as security and drew upon them.
Q. And when in fact was that check of May Q. And when in fact was that check of May 31 paid! Was it paid by the old corporation, or in fact by the new government? A. I can't tell who paid it; I know this much about it: I received credit for it as a deposit in the bank, and it was charged to my account of last year.

Mr. Merrick. Charged up against you on the books of the corporation? A. Yes, sir, against me. And that \$22,000 is embraced as money received by me.

By Mr. Harrington. You do not know who paid the bank?

Witness. What do you mean—who redeemed it?

Q. You drew from the bank \$22,000 when

deemed it?

Q. You drew from the bank \$22,000 when you hadn't any money there; who paid the bank what you drew from it? A. Why, they had that there on security. That is what they

had that there on security. That is what they said.

Q. You drew \$19,000 cash and \$22,000 there as cash, when you had not any cash there at all. Now, then, who paid the bank back?

A. They received my certificate.

Q. I am not talking about the certificate; I will come to that directly. Who reimbursed the bank for the money they advanced to you?

A. That I have nothing to do with. I don't know anything about it.

Q. Then you don't know really whether the old corporation or the new government paid that amount? A. I don't.

Q. You don't know who paid the bank that Q. You don't know who paid the bank that money?

A. I only know just as I said there. I left it in the bank and the bank gave me credit for it.

Q. In other words, the bank permitted you to draw?

draw?
A. Certainly.
Q. Had the old corporation any funds in the bank at that time to its credit?
Witness. To the bank I deposited in?
Q. To meet this check?
A. Not that I know of. I deposited in the

A. Not that I know of. I deposited in the Freedman's bank.
Q. Had the First National Bank any funds to meet this check!
A. Not that I know of.
By Mr. Jewett: I would like to know what kind of certificate it was that you are speaking of—certificate of whom deposited!
A. It was a certificate from the old corporation. tion.

Mr. Mattingly. A check given by the old corporation payable to the order of Syphax, I suppose, on the First National Bank, when they hadn't any money there. Was it a check

on the bank?

A. It was a check on the bank.

By Mr. Harrington. I am trying to show—if
the committee pleases—that these checks that
were given to gentlemen were given on the
bank where there were no funds. So that bank where there were no funds. So that when, the new government came into existence, it found the bank account of the old corporation overdrawn over \$300,000, and that really while these payments were made as coming from the old corporation, yet the new government had to make that amount good to the bank, therefore it was a payment in fact by the

bank, therefore it was a payment in fact by the new government.

The Chairman. Is it probable this witness will know the state of the account between the cor-poration and the bank?

Mr. Harrington. He knows whether he got

Mr. Harrington: I want to sak if you did not know at the time you presented that check, it was not good! A. I understood that at the time they had no money in the First National Bank. That is what I understood, but not

of money that he received from the corporation.

Mr. Wilson. He has explained that.

Senator Allison. I think he has explained
that sufficiently. He said he received a check,
and that check he deposited. He does not
know whether that check was paid or not.

Mr. Harrington. But he borrowed the money
on that check.

Mr. Wilson. So he says.

By Mr. Stanton. And paid interest.

Q. Is that so of all the other amounts you
have received from the corporation? A. Some
I received in money—cash at he bank.

Q. What amounts did you receive in cash?

A. I cannot exactly say. My papers and books
show. I cannot asy exactly the amount.

Q. Have you for several months previous received any money at all from the old corporation? A. I do not know how long it was. I
received certificates on several occasions. I
cannot say what date nor the amount I received.

gave me, payable in money, that was not paid there.
Q. Or certificates? A. The certificates I always deposited them and drew on them.
Q. And paid interest on them? A. Generally. If I did not pay interest on them, why I sold the certificate to raise the money to pay the teachers—one or the other.
Q. What was the discount? A. I did not look to see, Mr. Harrington. I cannot remember the exact discount, but it can all be ascertained to a certainty.
Senator Allison. It seems to me you can show the exact state of this account from some

Senator Allison. It seems to me you can be abow the exact state of this account from some witness who knows how that school fand was disposed of.

Mr. Harrington. Yes, sir; we will do that.
Senator Allison. I do not wish, however, to disturb you in your line of examination.

Mr. Harrington. No, sir; I understand that.
This was just in response to the statement he had paid it in cash. He left the impression of that he paid it in cash—got cash for it.

Mr. Wilson. But he at once in response to your inquiry told you exactly how he did. He put this certificate, check, or whatever it was in the bank and got the money.

Mr. Stauton. He did not make that statement until it came out quite clearly that the

ment until it came out quite clearly that the covporation had not given the money.

Mr. Hubbell. The only impression left on my mind was that the money was paid by the old corporation.

Mr. Wilson. That was the impression first, but he at once, in response to Mr. Harring-ton's inquiry, gave the proper explanation. Mr. Hubbell. I would like to know one fact. I was out a moment. Was this twesty seven hundred dollars, which you paid over when you went out of office, the balance of credit you had at the Freedman's bank? A. I'es, sir; in

hink he is.

Mr. Allison. Is Mayor Emery present? No

Mr. Allison, (acting as chairman.) If there is anything you wish to present, gentlemen, this morning, in explanation of any matter that this morning, in explanation of any matter that you wish to give, an opportunity will now be afforded you.

Mr. Mattingly. I do not know of anything just now, sir. We will finish the tabular statement as to the achool account in the morning. We would like, in view of knowing what future course the examination is going to take, to have the charges and specifications which have been filed, read.

filed, read.

Mr. Allison, (asting as chairman.) We are now walting until Senator Thurman returns; he will be back in a moment.

Mr. Wilson. I would like to have a statement of the actual cost of these three school buildings that Mr. Syphax spoke of—the Sumner building and the other two.

(Senator Thurman here returns and re-

sir.

The Chairman. The counsel for the memorialists have presented this morning certain charges and specifications. We have not had time to read them yet, and accompanying them a request for subpœmas for witnesses, and in a number of cases subpœmas duces tecum for parties to produce numerous papers. We wish to read these charges and consider somewhat as to the order of proceeding, and in order to do that, we will have a session of the committee by itself for, say an hour at the end of which time we will invite counsel and all others who see fit and who are entitled to admission to be present. It will be necessary to print these charges so that the counsel on all sides and the members of the committee may be farnished with them, and after having looked at them and seen what they are and made the necessary order to print, it will then be a matter of consultation all around, so as to suit the convenience of all as to what day we shall appoint for the hearing of the witnesses who are to be examined.

Mr. Merrick. There will probably then be no

we snall appoint for the hearing of the witnesses who are to be examined.

Mr. Merrick. There will probably then be no session of the committee to-morrow.

The Chairman. We cannot tell that as yet. I do not think myself we can get ready for that time, because we have not had the charges presented to us before, and they are very voluminous I find. I wish to say to gentlemen who have been examined as witnesses that we have issued no subpernas so far for witnesses, but those who have been called as witnesses we presume are entitled to witness' fees.

We wish, however, to economize as much as possible, as we wish to have an account kept as straight as they can be, and therefore we will request, in fact require, that each person claiming witness fees shall make his claim each day with the clerk of the committee, and will not regard him as in attendance another day as a witness, or entitled to the payment of fees, unless we require his attendance. I do not know that any of the gentlemen who have been summoned so far desire witness fees or not, but if they do, why we wish that to be understood.

ing bill of discovery," as distinguishable from a bill that has requisite certainty of averment and discretion.

How far the rules of evidence and rules of practice that obtain in the courts are proper rules for the government of a committee of investigation appointed by either or both Houses of Congress. That is a question which counsel may consider, and upon that, and also upon the question whether or not sufficient foundation is laid for the production of these papers in that are called for by a very general description; and what is precisely the law upon that subject.

We desire to have the sid of the investigation of consel; we desire them to look into—as reveryet ourselves to do—to look into the authorities both judicial and legislative, on this question of the production of papers and give I us the benefit of their views within some short time. If it would suit counsel, we would suggest that they come day after to-morrow with a such authorities as they see fit to produce, and must we will hear them for a reasonable time on either side, and their authorities as to the power for the committee, and its duttes, in requiring the production of papers. I suppose I have said enough to indicate wherein we desire to be enlightened by the researches of counsel and by their arguments.

This paper can be read and then we desire to know whether a written answer will probably be filed; and if so, when, so that we may set a day upon which we will commence the investigation of these charges. I wish also to say

or one hundred dollars in summoning the witnesses to produce them here.

Mr. Merrick. We have no objection to having sworn copies made if it meets the views of counsel on the other side.

The Chairman. We are all destrous of saving expense, and counsel will see that this paper is addressed to us, of course. We do not propose to print this motion for the production of persons and papers. We will print charges and exhibits in reference to them. These exhibits, as I understand it, do not belong to the files of the District government, do they? Some of them are, as we understand, veritable copies of certain papers. They were not among the papers that were brought to us.

Mr. Merrick. Oh, no, sir.

Mr. Allison. And they are not in print now. Mr. Merrick. That large plan that we have The Chairmas: They seem to be compilations, some of them by an engineer. There

The Chairman: They seem to be compila-tions, some of them by an engineer. There is into be certain compilations of the contracts and bids signed by Mr. Severson, engineer, are those original parents. those original papers.

Mr. Christie: No, sir; they are not.

The Chairman: They are not papers belong

ing to the government.

Mr. Christie: No, air; not at all. They Mr. Christie: No, sir; not at all. They were simply presented to the committee in order that they may be hereafter used when the witnesses are produced. It was upon the hypothesis that the committee would require those charges to be supported by statements and by reference to witnesses by whose testimony they could be supported.

The Chairman: We only want to ascertain what we should print

The Chairman: We only want to ascertain what we should print.

Mr. Christie. We deem it important, however, that that which is referred to as the original plan should be printed. We think it perhaps differs from a document which has been printed already herestofore, but not during the session of this committee.

The Chairman. What is this? Here is something that seems to be—

Mr. Christie. Those need not be printed. They are simply references and published copies of certificates of incorporation, the originals of which can be very easily procured and laid before the committee.

The Chairman. Is these any necessity to print.

The Charman. State of these?

Mr. Christie. Not at all, sir. They might be of value, because frequent reference possibly would be made to them.

Mr. Allison. They are valuable as a document to be kept with us? A. Yes, sir. For convenience and allowed said contractor to be limited to

The Chairman. I will now direct the charges and apecifications to be read.
They were then read as follows by the clerk-of the committee:

THE CHARGE AND SPECIFICATIONS.

First Charge—That on or about the 23th day of August, 1871, John O. Evans, Hailet Killowell, Moses Kelly, Lewis Clephane, Samuel P. 18 the course, William S. Huntington, John L. Kidwell, Moses Kelly, Lewis Clephane, Samuel P. 18 the period prescribed for the completion of said contracts by Fibert, of the city of Columbia, and Lewis S. Filbert, of the city of Philadelphia, in the State of Pennsylvania, together with divers other persons to your memorialists unknown, did unlawfully conspire and confederate together to control, obtain and secure certain contracts, and the money to be paid thereon, which contracts had been by the Board of Public Works of the said District of Columbia publicly advertised to be by them let and awarded on, to will, the first and of the month of September of said year, said contracts being for the improvement of certain designated streets and avenues in the city of Washington, in said District, and your memorialists do further charge that the said Board of Fublic Works did aid and assist the said John O. Evans and his confederates afores said to carry out and successfully accomplish these purposes and objects of their said conspiracy and confederation, and did also let and award is alree number of the most profitable of said contracts to the said John O. Evans and his confederates aforem the conspiracy and confederation, and did also let and award is a large number of the most profitable of said contracts to the said John O. Evans and his confederates aforem the virtual of the confederates aforem the virtual of the confederates aforem the virtual of the

PROPOSALS FOR PAVING OR MAC-

OFFICE OF THE BOARD OF PUBLIC WORKS, DISTRICT OF COLUMBIA,
WASHINGTON OF COLUMBIA,
Proposals will be received ag the office of the Boart of Public Works until I fl. of September 1, 1971, for paying or uneradanizing the carriageways of the following streets, viz: f the following streets, viz:
Pennsylvania avenue, from Pifteenth street west
Aqueduct bridge;
New York avenue, from Fifteenth atreet west to
hird street west;
E street, from Georgelown to Sixth street;
E street north, from Thirteenth street west to Ju-

oundary, and all descriptions of pavements of pre-fered to the board reserving the right to the reject any and all pavements that may be all. The bids must include the grading re-

from the 1st of December, 1898, to the 1st of July, 1877—three years.

Q. Were you appointed treasurer of the Board of Treatesel A. I. A. g., i. I was the tirresurer the last year of my term.

Q. Were you treasurer up to the time when the season beliefling for all the work that had been done on the season beliefling for all the work that had been done on the tirresurer the last year of my term.

Q. Were you treasurer up to the time when the season beliefling for all the work that had been done on the season beliefling for all the work that had been done on the tirresurer than the season beliefling for all the work that had been done on the tirresurer than the season of difficulties of th

Cost
That the amounts paid to said John
O. Evans, according to reports of
said board, amount to
To Lewis Clephane, estimated cost
Payments made to him
To Lewis C. Filbert, estimated cost
Payments made to him

They were callen contained them by the same name.

call them by the same name.

them certificates, and I must call them certificates.

Q. Did you receive any cash money during is a side enough to innease callightened by the researches of the production over my papers. I cannot tell the amount or the date I received it without doing so, but it is my impression I did.

Q. Whenever you had a check to draw money you would go to the First National hank! A. No, sir.

Q. Where would you go? A. I deposited my check in the Freedman's bank and then we will commence the furesting the particle of these charges. I wish also to say hank! A. No, sir.

Q. Did you pay interest on all the monies you go go? A. I deposited my check in the Freedman's bank and then you got from the Freedman's bank and they you got from the Freedman's bank! A. No, sir.

Q. Did you pay interest on all the monies you go, but it is my impression I did.

This paper can be read and then we desire to look over my papers. I cannot tell the well commence the furesting and it is my impression I did.

This paper can be read and then we desire to look over my papers. I cannot tell without we will commence the furesting and it is my impression I did.

Q. Wherever you had a check to draw money you would go to the First National bank! A. No, sir.

Q. Where would you go go? A. I deposited my check in the Freedman's bank and they pay that, desirous of incurring an little expense as passible, we are asked to issue subponus to particle it will be very only the said assoc with the will be well and the will be a particle in Philadelphia and New York, to require the production perhaps in each case of the better graiters. We think it will be very have the right to use such old mat what exactly. I can find that we hould be at the expense of fifty on have the right to use such old mat what exactly. I can find that we hould be at the expense of fifty on the will be the monies of the will be a supported by the free that counsel should agree that a sworn copies made if it meet purpose of further aiding and assisting the said John O. Evans, and his said associates, provided in certain of the contracts let add awarded to them unlawfully that they should have the right to use such old material as they might remove? in the streets and avenues to be improved by them, such old material being the property of the Government of the United States and of the citizens of said District, to-wit: in contract No. 42, made with John O. Evans, and in contract No. 42, made with Lewis S. Filbert. That said Board of Public Works likewise agreed to furnish certain costly machinery, owned by said District of Columbia, to be used and employed in prosecuting said improvements by said contractors, and without energe; that said Board of Public Works, without any provious public notice, likewise agreed with the said John O. Evans and his said associates, and caused the same to likewise agreed with the said John O. Evans and his said associates, and caused the same to be inserted in their contracts as follows, to-wit: "provided that partial payments may be made under direction of said party of the first part," (the said Board of Publie Works,) "otherwise than under the direction of said engineer as provided above, if in the opinion of the said party of the first part, the vigorous prosecution of the work will be promoted thereby," which provision is not in the printed blanks exhibited to bidders prior to the 1st of September aforesaid," (see contracts No. 583, 283, 41, 27, 145, 190, 29, 42, 159, 31, 32,) thus enabling the said John O. Evans and his associates to virtuality said John O. Evans and his said associates, permitted them to go as sureties ror each other upon the bonds accompanying all of the contracts so far as examined by your memorialists, and thus permitted Lewis Clephane to execute the bonds attached to contracts No. 293, 41, 145, 29, 42, 27, 159, 194, 31, 33, aggregating \$171,000, the said Lewis Clephane, at the time said bonds are alleged to have been given, not being worth over \$12,000, and this, although by the rules and regulations of said board each contractor was required to keep the improvement made by him in repair for the period of three years,—and such bonds being the only security required by said Board of Public Works, each contractor, by their rules, being entitled to be paid in full on completion of his contract. That said Board of Public Works, likewise to aid and assist the said John O. of reference.

The Chairman, I will now direct the charges and specifications to be read.

They were then read as follows by the clerk of the committee:

**Read Board of Public Works, likewise to aid and assist the said John O. Evans and his said.

9. That the said Board of Public Works, to still further aid and assist the said John O. Evans and his said associates, used the power, patronage and influence of said Board of Public Works, and the influence of the several members thereof, to obtain the passage of an act entitled "An act creating drainage and sewerage sections in the cities of Washington and Georgetowu," &c., by the Legislative Assembly of the said District of Columbia, whereby the said real property purchased by Hallet Kit. ony of the said District of Columbia, whereby the said real property purchased by Hallet Kil-bourn and James M. Latta, trustees, in the north-western portion of the said city of Washington, percinalter more particularly

bourn and James M. Latta, trustees, in the northwestern portion of the said city of Washington,
hereinafter more particularly mentioned, was
only subject to a tax of eleven mills per square
foot, and much of the real property of your memorialists and other citizens of said District of
Columbia was subjected to a tax of twenty mills
per square foot; and this although the property
of the said Hallet Kilbourn and James M.
Latta, trustees, was reasonably worth \$1 per
square foot, and the said property of your memorialists and other citizens not exceeding fourcents per square foot.

10: That the said Board of Public Works, to
still further aid and assist the said John O.
Owens and his associates, have disregarded the
limitations of said original plan, and acts of appropriations aforesaid, and greatly exceeded
the estimated costs of improvements therein
mentioned, to wit:

1. Estimated cost in said plan of F street north,
between Seventeenth and Twenty-seventh west,
\$19,848. But the report of the Board of Public
Works for 1872, tabular statement No. 14,
states the actual cost of only a part of said improvement, to wit: F street north, from Seventeenth street to Twenty-third street west,
\$46,897; (including sewer, total cost, \$2,157.)

2. Estimated cost in said plan of East Capitol street, from First to Lincoln square, (Eleventh street cast.) \$13,150. But the report
of the Board of Public Work for 1873, tabular
statement No. 20, states the actual cost of
said improvement made at \$189,163.53, of
which the satid John O. Evans received \$88,-